

MINUTES
OF THE SPECIAL MEETING
OF THE BOARD OF REGENTS
WESTERN KENTUCKY UNIVERSITY

December 1, 2000

AGENDA ITEM 1 - Call to Order

Required statutory notice having been given, a special meeting of the Board of Regents of Western Kentucky University was held via teleconference from the Western campus, Grise Hall, Room 137, and the Elizabethtown Community College, Room 144A. *Called specifically to review a recommendation for improved efficiency in the Athletics Department*, the meeting was called to order by Vice Chair Lois Gray at approximately 10 a.m., CST.

AGENDA ITEM 2 - Roll Call (by location)

Mr. Howard E. Bailey - (Grise Hall)
Mr. Robert Earl Fischer (participated via speaker phone)
Ms. Lois W. Gray - (Elizabethtown)
Ms. Peggy W. Loafman - (Grise Hall)
Ms. Cassie F. Martin - (Grise Hall)
Mr. Cornelius A. Martin - (Grise Hall)
Professor Mary Ellen Miller - (Grise Hall)
Mr. Ronald G. Sheffer - (Elizabethtown)
Mr. James B. Tennill, Jr.- (Elizabethtown)

Ms. Kristen T. Bale and Ms. Beverly H. Wathen were absent.

RECOMMENDATION:

The following recommendation is respectfully submitted for Board of Regents' consideration and approval. This is in response to the Board's October 27, 2000, action to increase the student fee for athletics and the Board's request that the Athletic Department demonstrate reduced expenses and balance its budget.

After considerable review and evaluation of each intercollegiate athletic program, the elimination of two athletic programs, effective at the conclusion of the 2000-01 academic calendar year, is proposed. The programs recommended to be discontinued would be men's tennis and men's golf.

Exhibit A (attached) outlines the financial savings from the elimination of these two programs. While the overall annual savings appear somewhat limited, several reasons justify such a reduction in programming opportunities.

- *First*, Western Kentucky carries on average two to four more intercollegiate athletic programs than its Sun Belt and Gateway Conference counterparts. Eliminating two athletic programs will create an 18-sport (10 women, 8 men) intercollegiate athletic program, which mirrors more of our conference member institutions.
- *Second*, by eliminating two athletic programs, Western athletics reduces the

overall financial liability for the department by capping programs at 18. It further assists all support units such as athletic training, facilities, sports information, and business as a reduction in support services will be accomplished.

- *Third*, this reduction saves 3% of the overall athletic intercollegiate programming expenses and enhances the Athletic Department's capacity to balance the budget.
- *Fourth*, this reduction strengthens Western's ability to meet and comply with Title IX gender equity requirements.

Factors in making the decision to drop these two particular programs were many. The primary reasons are highlighted by five-year team performance reviews, funding comparisons with other league programs, facilities, coaching (full-time verses part-time), and overall vitality of the program as compared with other programs at Western and in the Sun Belt Conference.

Exhibit B (attached) outlines the areas of consideration in evaluating each program. In dropping the men's tennis and golf programs, it is also recommended that all student-athletes on scholarship be allowed to remain at the same level of scholarship support until their fourth academic calendar year has taken place or until they desire to transfer to another institution. Western Kentucky would assist any student-athlete in his efforts to transfer or graduate from WKU.

The spring 2001 season would be the final competitive season for men's tennis and golf if this recommendation is accepted and approved.

President Ransdell commented that Dr. Selig, who has been Athletic Director for approximately fifteen months, inherited the unenviable task of trying to achieve balance in a budget that for the last 15-20 years has been running a deficit. For the past three years that deficit has ranged from \$250,000 to \$500,000. At the October 27 Board of Regents meeting, the Board challenged the University, and specifically Dr. Selig, to achieve further efficiencies in the Athletic Department budget particularly given the degree to which the students are now supporting the athletic program through the increased student athletic fee. The student athletic fee was one part of the solution to the problem, but the deficit will have to be erased through a combination of reduced expenses and enhanced revenues, revenues coming from student fees and increased ticket sales, and fund raising. President Ransdell stated, "The challenge from the Board is most important, but the primary driving force is our own resolve to solve this problem and operate in a business-like manner. The elimination of programs does require Board action. Over the past year, Dr. Selig has reduced expenses through administrative efficiencies, reducing positions in the ticket office and other areas.

"In addition to the financial mandate to be solvent, we also must make continuing progress toward gender equity, and the steps we're recommending today will allow us to

make further progress toward a balance of gender priorities in our athletic program. It's simply a matter of having to solve the problem, operate in a sound financial manner, reduce the deficit, and balance the budget in the Athletic Department."

Athletic Director Selig noted that before the academic year began, two full-time positions were eliminated for a savings of \$60,000. After meeting for several months with head coaches and the athletic administration, the recommendation is to eliminate two of the twenty intercollegiate athletic programs in order to reduce the annual deficit by up to 25%. The decision to recommend elimination of men's tennis and men's golf is very difficult. Both programs have distinguished and storied pasts. "This programming challenge, however, is no different than those faced by many academic units on campus as well as throughout higher education institutions around the country. Upon evaluating all of the twenty sports, the factors weighing most heavily in the decision to recommend the elimination of men's tennis and golf programs were heavily weighted on criteria such as competitiveness over the last five years, the funding level compared to all conference member institutions--those programs to which we compete, and current athletic facilities and having a full-time or part-time head coach. After a lengthy review and analysis the two programs that fared the poorest in this evaluation were men's tennis and golf."

All current participants in these two sports will be offered the opportunity to continued academic scholarship support at their current financial aid level in order that they may complete and earn a Western degree within four academic calendar years. Should any athlete wish to transfer, every effort will be made to assist them in that endeavor so they may potentially be in a position to compete for another institution immediately. Full and continued support for all of the remaining eighteen programs was pledged by Dr. Selig.

Mr. Sheffer asked how many of the athletic programs actually make money for the University. In response Dr. Selig stated, "If we have any revenue-generating program, it would be men's basketball." Mr. Sheffer then asked what other programs will be recommended for elimination if the proposal is to balance the budget by eliminating programs. Dr. Selig explained that the "proposal is not to balance the budget by eliminating programs but to get us closer to balancing the budget with a combination of the student fee increase for athletics and a reduction of expenses."

Mr. Sheffer questioned how, if the current deficit is \$500,000 and the elimination of men's golf and tennis reduces it by \$100,000, the remaining \$400,000 would be handled. Dr. Selig noted that the recommendation would reduce the deficit by \$125,000 leaving about \$375,000 which would be attacked with the increase in student fees and the increased effort to sell more tickets and generate more gift dollars.

Mr. Fischer asked about the net difference between the lost revenue and the savings from elimination of men's golf and tennis, and Dr. Selig reported the University would stand to lose \$50,000 a year in tuition and fees if those students weren't replaced at Western Kentucky University.

Dr. Ransdell commented that in talking about golf and tennis, the total revenue in round numbers that would be foregone revenue from athletes who are paying a portion of their own way would be approximately \$50,000, but the total budgets of the two programs is approximately \$125,000, so there is a net difference of approximately \$75,000. He noted that the revenue that affects the University budget is not a factor for the athletic director's budget because he has been told that he must balance his budget.

Mr. Fischer stated that, "As a Board, as a University, we have to rise up above Dr. Selig's budget and look at the whole picture. I'm unwilling to sit in this chair just looking at one of the parts of the budget without recognizing the total affect to the University."

Mr. Sheffer stated "I think if we eliminate these two programs for a savings of \$75,000, or \$100,000 a year it would be a big mistake, and we would lose sight of what the athletic program and some other programs are all about. We're not in the athletics program to make money, totally. We're in it for the good it does the University as a whole, and these two programs are important--they have been for forty years or so as part of our athletic program--a part of what brings attention to Western, a part of what brings good students to Western, a part of what has put some outstanding Western graduates out in the State and in the United States. I think it would be a tragic mistake to eliminate for this small amount of money those two important parts of our athletic program."

Professor Miller commented, "I think Dr. Selig has done exactly what the Board has asked him to do in making this decision, and I know it was a painful one, and I respect what he said about the human element. The human element is very painful, but I

think this is a step in the right direction; it is precisely what he has been asked to do. I applaud the tremendous effort and thought that have gone into it.”

Ms. Loafman stated, “As Professor Miller said, we do need to remember our comments to Dr. Ransdell and to Dr. Selig at our last Board meeting. I, for one, said if we vote to increase the student fee, you need to do your part to make sure we balance the athletic budget; we need to look at the number of athletic programs that we have. You’ve come back with a recommendation--that’s exactly what we asked you to do.”

Mr. Tennill asked if any part of the fee passed by the Board in October would be applied toward making up the deficit. The increased fee would generate a \$2 million increase, which Dr. Ransdell noted will be applied five ways in this order:

- to balance the remainder of the athletic budget following whatever action taken today;
- to address parking;
- to fund a portion of the debt service for the renovation of Diddle Arena;
- to supplement the football program to achieve a mid-point of the Gateway Conference budgeting process; and
- for program enhancement in the athletic department to provide an opportunity to be competitive within our respective conferences.

Speaking on behalf of the students, Cassie Martin stated, “We did ask that the Athletics Department spend their money in an efficient manner; however, the students never requested programs to be cut--if we’re going to cut every program that loses money, then we have a lot to cut.”

Mr. Martin also expressed concerns about cutting two men’s programs and especially the golf program.

Mr. Fischer stated that he wasn’t sure he would have voted to increase the fees had someone explained before the vote that two prestigious sports programs would be recommended for elimination. “I do think we will suffer more than we would gain because those students will go elsewhere to play sports,” Mr. Fischer noted.

Mr. Sheffer commented, “If I had been aware at that we were giving the initiative to cut programs, I would have been less enthusiastic about increasing the student fee--if fact--I might have been in opposition to increasing it. In this day in time, with all of the publicity that golf gets nation wide and that we get in Kentucky with the PGA coming

here, I think it would be a major mistake to cut the golf program. I would not have been in support of the commitment we made had I known we are going to start cutting programs.”

Mr. Bailey commented, “In light of the progress made in female athletics, I would be very much opposed for us to even begin such a review of reducing women’s sports knowing that the institution has moved forward over the past four or five years in this direction of equality in the athletic program for females.”

Ms. Loafman stated she had nothing against golf or tennis but that she was concerned that Western Kentucky University can’t be all things to everyone. “At some point, we have to look at the direction we are going and the plans that we’ve made to try to balance this budget and look at the recommendations that have been made.”

Ms. Gray requested clarification and assistance in ruling on a request from the floor for Jim Richards to address the Board. General Counsel Wilkins read from Item 6 of Article II of the Bylaws of the Board of Regents which states, “*Other members of the University community and members of the public are welcome to attend open meetings of the Board but may not address the Board of Regents or otherwise participate in the meetings except pursuant to a previously approved request for appearance to be heard in accordance with this paragraph. Persons desiring to be heard by the Board of Regents will first submit to the President in writing the subject matter and the reason for desiring to be heard by the Board of Regents. The President shall then call the request to the attention of the Chairperson. The Chairperson may then determine whether or not to permit the person requesting appearance before the Board to speak, or the Board by a majority vote may grant such a request of the person requesting authority to speak.*”

Ms. Wilkins noted that a literal reading of the Bylaws would require a written request prior to meeting; however, expressed an opinion that given the time frame that the recommendation was made known to the teams and players, it wouldn’t be an abuse of the Board’s discretion to allow a waiver of the provision.

Mr. Richards was permitted to address the Board on the behalf of retaining the programs.

Mrs. Loafman made a motion seconded by Mr. Bailey to approve the elimination of two athletic programs, (men’s tennis and men’s golf) effective at the conclusion of the

2000-01 academic calendar year. The roll call vote follows:

Aye: Bailey, Gray, Loafman, Miller

Nay: Martin, Martin, Sheffer, Tennill

The motion failed. Although unable to vote via phone, Mr. Fischer indicated he would have voted against the motion.

Ms. Gray expressed appreciation to Dr. Selig for the work that went into preparing for and carrying out the directive of the Board. She also thanked the coaches and athletes who participate in men's golf and tennis and wished them well in the Spring semester.

With no other business on the agenda, the meeting adjourned at approximately 11 a.m.

CERTIFICATION OF SECRETARY

I hereby certify that the minutes herein above set forth an accurate record of votes and actions taken by the Board of Regents of Western Kentucky University in a special meeting held December 1, 2000, via teleconference from the Western Kentucky University Campus, Grise Hall Room 137 and the Elizabethtown Community College, Room 144A, and further certify that the meeting was held in compliance with KRS 61.810, 61.815, 61.820, and 61.825 (enacted as Sections 2, 3, 4 and 5 of House Bill 100, 1974 Regular Session, General Assembly).

Elizabeth W. Esters
Secretary

Kristen T. Bale
Chair
January 26, 2001

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Secretary
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